

HOUSE BILL 993
By Vaughn

AN ACT to amend Tennessee Code Annotated, Section 13-23-402 and Section 67-4-409, relative to the Tennessee housing development agency.

WHEREAS, in 1988 certain legislative changes were made to direct a portion of the real estate transfer tax and the mortgage recording tax levied by Tennessee Code Annotated, Section 67-4-409(a) and Section 67-4-409(b), respectively, to the Tennessee Housing Development Agency ("THDA") for the Housing Opportunities Using State Encouragement Program (the "HOUSE Program"); and

WHEREAS, in 2000, this source of funds was statutorily redirected to the state general fund to address certain state budget issues; and

WHEREAS, the General Assembly recognizes the need to provide funds to assist in the provision of affordable housing, through the HOUSE Program, for low income citizens of the state; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 13-23-402(a), is amended by adding the following language thereto:

(2) Prior to any allotment of funds in Section 67-4-409, an allocation of fifteen and fifteen one hundredths percent (15.15%) of the real estate transfer tax levied by Section 67-4-409(a) not otherwise specifically allocated by this section;

(3) Prior to any allotment of funds in Section 67-4-409, an allocation of thirteen percent (13%) of the mortgage recording tax levied by Section 67-4-409(b);

SECTION 2. Tennessee Code Annotated, Section 67-4-409, is amended by adding the following new subdivision to subsection (a):

(8) Notwithstanding any provision of law to the contrary, prior to any allotment of funds pursuant to this section, funds shall be allocated pursuant to the provisions of Section 13-23-402.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.